

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

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*In the Matter of:*

Jenkinjones Post Office  
Jenkinjones, WV 24848  
(Thomas Vineyard Jr. and May Bridgeman,  
Petitioners)

Docket No. A2012-15

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**UNITED STATES POSTAL SERVICE COMMENTS REGARDING APPEAL**  
(December 12, 2011)

On October 17, 2011, the Postal Regulatory Commission (the “Commission”) received an appeal postmarked October 6, 2011, from postal customers Mr. and Mrs. Thomas Vineyard Jr. (“Petitioner Vineyard”) objecting to the discontinuance of the Post Office at Jenkinjones, West Virginia (the “Jenkinjones Post Office”).<sup>1</sup> By means of Order No. 916 (October 20, 2011), the Commission docketed the letter, assigning PRC Docket No. A2012-15 as an appeal pursuant to 39 U.S.C. § 404(d). The Commission also received an appeal letter from postal customer May Bridgeman (“Petitioner Bridgeman”) on October 28, 2011 objecting to the discontinuance of the Jenkinjones Post Office, which was added to the PRC Docket No. A2012-15. Petitioner Vineyard filed a Participant Statement in support of the petition on November 14, 2011. In accordance with Order No. 916, the administrative record was filed with the Commission on October 31, 2011. On November 29, 2011, the Postal Service filed an amended administrative record to include 35 pages that were inadvertently omitted from the October 31, 2011 filing.

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<sup>1</sup> This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

The letters of appeal and Participant Statement raise two issues: (1) the calculation of economic savings expected to result from discontinuing the Jenkinjones Post Office, and (2) factual errors in the administrative record. As reflected in the administrative record of this proceeding, the Postal Service gave the first issue serious consideration during the discontinuance process, and the Postal Service now addresses concerns about factual errors in the administrative record. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,<sup>2</sup> the Postal Service gave consideration to a number of other issues, including the effect on postal services, the effect on community, and the effect on employees. Accordingly, the determination to discontinue the Jenkinjones Post Office should be affirmed.

### **Background**

The Final Determination To Close the Jenkinjones Post Office and Extend Service by Highway Contract Route Service ("Final Determination" or "FD"),<sup>3</sup> as well as the administrative record, indicate that the Jenkinjones Post Office provides EAS-55 level service to no delivery customers, 78 Post Office Box or general delivery customers, and to retail customers from 8:00 a.m. to 12:00 p.m. and 12:30 p.m. to 3:15 p.m. Monday through Friday, and from 8:00 a.m. to 9:45 a.m. on Saturdays.<sup>4</sup> The Postmaster of the Jenkinjones Post Office retired on

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<sup>2</sup> See 39 U.S.C. 404(d)(2)(A).

<sup>3</sup> The Final Determination can be found at Item 47 in the administrative record. All citations to the Final Determination will be to "FD at \_\_," rather than to Item 47. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as "Item \_\_."

<sup>4</sup> FD at 2; Item 18, Form 4920; Item 33, Proposal at 2.

June 30, 2009.<sup>5</sup> Since the Postmaster vacancy arose, a non-career employee was installed as an officer-in-charge (“OIC”) to operate the Jenkinjones Post Office. The non-career employee serving as the OIC may be separated from the Postal Service, although attempts will be made to reassign her to an authorized position at nearby facility.<sup>6</sup> The average number of daily retail window transactions at the Jenkinjones Post Office is 17, accounting for 16 minutes of retail workload daily.<sup>7</sup> Revenue for the last three years was: \$21,239 in FY 2008; \$19,402 in FY 2009; and \$20,978 in FY 2010.<sup>8</sup>

Upon implementation of the Final Determination, delivery and retail services will be provided by Highway Contract Route Service (“HCR”) administered by the Anawalt Post Office, an EAS-13 level office, located 3.5 miles away, which has 212 unrented Post Office Boxes.<sup>9</sup> This service will continue upon implementation of the Final Determination.

The Postal Service followed the proper procedures that led to the posting of the Final Determination. All issues raised by the customers of the Jenkinjones Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to all Post Office Box customers of the

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<sup>5</sup> As discussed *infra*, the administrative record mistakenly indicates that the Postmaster was promoted on June 20, 2008 resulting in the vacancy. Upon further investigation by the Postal Service, the vacancy was created when the Postmaster retired on June, 2009.

<sup>6</sup> FD at 7; Item 33, Proposal at 5.

<sup>7</sup> FD at 2; Item 33, Proposal at 2.

<sup>8</sup> FD at 7; Item 18, Form 4920; Item 33, Proposal at 5.

<sup>9</sup> FD at 2; Item 18, Form 4920; Item 33, Proposal at 2.

Jenkinjones Post Office.<sup>10</sup> Questionnaires were also available over the counter for retail customers at the Jenkinjones Post Office.<sup>11</sup> A letter from the Manager of Post Office Operations, Charleston, West Virginia, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Jenkinjones Post Office was warranted, and that effective and regular service could be provided through HCR delivery and retail services available at the Anawalt Post Office.<sup>12</sup> The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service that they were receiving and the effects of a possible change involving HCR delivery. Twenty-one customers returned questionnaires, and the Postal Service responded.<sup>13</sup> In addition, representatives from the Postal Service were available at the Jenkinjones Methodist Church for a community meeting on April 11, 2011 to answer questions and provide information to customers.<sup>14</sup> Thirty-one customers attended.<sup>15</sup> Customers received formal notice of the Proposal and Final Determination through postings at the Jenkinjones Post Office and nearby facilities. The Proposal was posted with an invitation for public comment at the Jenkinjones Post Office and the

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<sup>10</sup> Item 20, Questionnaire Instruction Letter.

<sup>11</sup> *Id.*

<sup>12</sup> Item 21, Cover Letter for Questionnaire.

<sup>13</sup> Item 22, Returned Questionnaires and Postal Service Response Letters; Item 23, Analysis of Questionnaires.

<sup>14</sup> Item 26, Community Meeting Letter.

<sup>15</sup> Item 24, Community Meeting Roster; Item 25, Community Meeting Analysis.

Anawalt Post Office<sup>16</sup> for 60 days beginning May 23, 2011, and ending July 25, 2011.<sup>17</sup>

On April 11, 2011, a petition, with 99 signatures, supporting the retention of the Jenkinjones Post office was received by the Postal Service.<sup>18</sup>

Seven customers returned comments in response to the “Invitation for Comments” after the Proposal was posted.<sup>19</sup> The Postal Service addressed those concerns in letters to the customers.<sup>20</sup> The Final Determination was posted at the Jenkinjones and Anawalt Post Offices beginning on September 9, 2011 and ending October 11, 2011, as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record as Item No. 47. In light of a Postmaster vacancy; minimal workload; low revenue; the variety of delivery and retail options (including the convenience of rural delivery and retail service); no projected population, residential, commercial, or business growth in the area; minimal impact upon the community; and the expected financial savings, the Postal Service issued the Final Determination. Regular and effective postal services will continue to be provided to the Jenkinjones community in a cost-effective manner upon implementation of the final determination.

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<sup>16</sup> The Anawalt Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>

<sup>17</sup> Item 31, Instructions to Post Proposal; Item 32, Invitation for Comments; Item 33, Proposal.

<sup>18</sup> Item 27, Petition and Postal Service Response Letter.

<sup>19</sup> Item 34, Comment Form.

<sup>20</sup> Item 38, Proposal Comments and Postal Service Response Letters.

## **Analysis**

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

### **Effect on Postal Services**

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Jenkinjones Post Office on postal services provided to Jenkinjones customers. The closing is premised upon providing regular and effective postal services to Jenkinjones customers.

While Petitioners did not express specific concerns about the effect on Postal Services in their letters of appeal or Participant Statement, such concerns were raised by other Jenkinjones customers in response to questionnaires, at the community meeting, and in comments to the proposal.<sup>21</sup> These concerns were considered by the Postal Service alongside other issues pertaining to the impact of closing the Jenkinjones Post Office upon the provision of postal services to Jenkinjones customers.<sup>22</sup>

The loss of retail services and Post Office Boxes at Jenkinjones does not have a large impact on the quality of service provided by the Postal Service. As explained throughout the administrative record, HCR carriers can perform many

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<sup>21</sup> Item 22, Returned Questionnaires and Postal Service Response Letters; Item 25, Community Meeting Analysis; Item 38, Proposal Comments and Postal Service Response Letters.

<sup>22</sup> FD at 2-6; Item 33, Proposal at 2-5.

functions (at the same time that the carrier delivers the mail) that will avert the need to go to any Post Office, Anawalt or otherwise.<sup>23</sup>

Carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes or cluster box units.<sup>24</sup> Customers do not have to make a special trip to the Post Office for service. Stamps by Mail and Money Order Application forms are available for customer convenience, and stamps are also available at many stores and gas stations, online at usps.com, or by calling 1-800-STAMP-24.<sup>25</sup> Customers can also request special services, such as Certified, Registered, or Express Mail, Delivery Confirmation, Signature Confirmation, and COD from the carrier.<sup>26</sup>

Further, most transactions do not require meeting the carrier at the mailbox,<sup>27</sup> and special provisions are made, on request, for hardship cases or special customer needs.<sup>28</sup>

Upon the implementation of the Final Determination, delivery and retail services will be provided by HCR delivery emanating from the Anawalt Post Office. In addition to HCR delivery, which is the recommended alternate service,

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<sup>23</sup> FD at 2-4 Item 33, Proposal at 2-3.

<sup>24</sup> FD at 3; Item 22, Returned Questionnaires and Postal Service Response Letters at 60, 63 ; Item 23, Analysis of Questionnaires; Item 25, Community Meeting Analysis; Item 33, Proposal at 3.

<sup>25</sup> FD at 3; Item 38, Proposal Comments and Postal Service Response Letters at 4, 5, 7; Item 40, Analysis of Comments at 1.

<sup>26</sup> FD at 3; Item 22, Returned Questionnaires and Postal Service Response Letters at 51; Item 23, Analysis of Questionnaires; Item 33, Proposal at 3; Item 38, Proposal Comments and Postal Service Response Letters at 2, 4-7; Item 40, Analysis of Comments at 1-2.

<sup>27</sup> *Id.*

<sup>28</sup> FD at 3; Item 22, Returned Questionnaires and Postal Service Response Letters at 51, 60, 63; Item 23, Analysis of Questionnaires; Item 25, Community Meeting Analysis; Item 33, Proposal at 2,3; Item 40, Analysis of Comments at 1,2.

customers may also receive postal services, including P.O. Box service, at the Anawalt Post Office, which is located three miles away. The window service hours of the Anawalt Post Office are from 7:30 a.m. to 12:00 p.m. and 12:30 p.m. to 3:45 p.m., Monday through Friday and from 8:00 a.m. to 10:45 a.m. on Saturdays.<sup>29</sup> Thus, the Postal Service has properly concluded that all Jenkinjones customers will continue to receive regular and effective service via HCR service.

### **Effect on Community**

The Postal Service is obligated to consider the effect of its decision to close the Jenkinjones Post Office upon the Jenkinjones community.<sup>30</sup> While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

Jenkinjones is an unincorporated rural community located in McDowell County.<sup>31</sup> The community is administered politically by the McDowell County Commission.<sup>32</sup> Police protection is provided by the McDowell County Sheriff's Department.<sup>33</sup> Fire protection is provided by the Anawalt Fire Department.<sup>34</sup> The questionnaires completed by Jenkinjones customers indicate that, the community is comprised of retirees, coal mining families, and those who commute to work in

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<sup>29</sup> FD at 2; Item 21, Cover Letter for Questionnaire, at 1; Item 33, Proposal at 2.

<sup>30</sup> 39 U.S.C. § 404(d)(2)(A)(i).

<sup>31</sup> FD at 5; Item 16, Community Survey Fact Sheet; Item 33, Proposal at 4.

<sup>32</sup> *Id.*

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*



nearby communities and work in local businesses.<sup>35</sup> The town has two businesses, three churches, and many coal mines.<sup>36</sup>

While Petitioners do not raise specific concerns with regard to the Postal Service's consideration of the impact on the community, the Postal Service is cognizant of the importance of the Jenkinjones Post Office to members of the community and extensively considered those issues, as reflected in the administrative record.<sup>37</sup>

For example, a number of customers had commented that the community might lose its identity in the absence of the Jenkinjones Post Office. In response, the Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name, and that Jenkinjones customers would be able to retain the Jenkinjones name and ZIP Code in addresses.<sup>38</sup> Additionally, the Postal Service noted that residents may continue to meet informally, socialize, and share information at other businesses, churches, and residences in town.<sup>39</sup>

Nonetheless, the Postal Service determined that its customers could continue to receive effective postal services elsewhere. Communities generally require regular and effective postal services and these will continue to be provided to the Jenkinjones community. In addition, the Postal Service has

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<sup>35</sup> See *generally* FD at 5; Item 22, Returned Questionnaires and Postal Service Response Letters; Item 33, Proposal at 4.

<sup>36</sup> FD at 5; Item 13, Administrative Postmaster/OIC Comments; Item 18, Form 4920; Item 33, Proposal at 4.

<sup>37</sup> FD, at 5; Item 22, Returned Questionnaires and Postal Service Response Letters; Item 23, Analysis of Questionnaires; Item 25, Community Meeting Analysis; Item 33, Proposal at 4.

<sup>38</sup> *Id.*

<sup>39</sup> *Id.*

concluded that non-postal services provided by the Jenkinjones Post Office can be provided by the Anawalt Post Office.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Jenkinjones Post Office on the community served by the Jenkinjones Post Office.

### **Economic Savings**

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that HCR service would cost the Postal Service substantially less than maintaining the Jenkinjones Post Office and would still provide regular and effective service.<sup>40</sup> The estimated annual savings associated with discontinuing the Jenkinjones Post Office are \$30,050 (\$35,940 in annual costs less \$5,890 in costs for replacement service.<sup>41</sup> Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv).<sup>42</sup>

Petitioners both question the Postal Service's calculation of economic savings, specifically with respect to (i) the current cost of employing a PMR as OIC of the Jenkinjones Post Office, (ii) the estimated cost of HCR service to replace the Jenkinjones Post Office, and (iii) the declining revenue at the Jenkinjones Post Office.

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<sup>40</sup> FD at 7; Item 21, Cover Letter for Questionnaire; Item 33, Proposal at 5.

<sup>41</sup> FD at 7; Item 29, Proposal Checklist at 2; Item 33, Proposal at 5.

<sup>42</sup> *Id.*

Petitioners note that the Postal Service has already reduced costs at the Jenkinjones Post Office by operating with a PMR rather than a Postmaster. However, the economic savings calculation conducted as a part of a discontinuance study is forward-looking; the fact that the Postal Service may have paid less in salary and benefits over the past years does not mean that it could count on those savings annually in the future. If the Jenkinjones Post Office closes, one career slot will be eliminated. If the Post Office is not discontinued, that slot would ultimately have been filled with a career employee, and the salary and benefits to be paid would be as shown for a postmaster. Thus, the Postmaster Salary and Fringe Benefits calculations in the Final Determination accurately reflect the future annual savings of discontinuing the Jenkinjones Post Office.

Petitioners question the estimated cost of HCR service to replace the Jenkinjones Post Office. The Postal Service examined the excepted cost of utilizing HCR service compared to maintaining the Jenkinjones Post Office and determined that HCR service will be more effective than maintaining the Jenkinjones Post Office and a Postmaster position.<sup>43</sup> The Postal Service's HCR cost estimate of \$5,890 is supported by record evidence, in accordance with the Postal Service's statutory obligations.<sup>44</sup> The Postal Service reached this figure by calculating the cost of delivering to an additional 79 boxes and adding 2 miles to a route.<sup>45</sup> Furthermore, the Economic Savings section of the Final

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<sup>43</sup> FD at 6; Item 33, Proposal at 5.

<sup>44</sup> FD at 5; Item 33, Proposal at 5.

<sup>45</sup> *Id.*

Determination provides a clear picture of the Postal Service's estimated annual savings.

Petitioner Vineyard also states that "the post office claims there is a loss in revenue for the office, we the customers do not believe this to be so . . . ." The Postal Service did not claim a loss in revenue of the Jenkinjones Post Office over the past three years, but instead, only presented the office receipts for fiscal years 2008-2010.<sup>46</sup> In fact, while there was an 8.6% decrease in revenue from FY 2008 to FY 2009, there was an 8.1% increase in revenue from FY 2009 to FY 2010. Thus, the Postal Service properly considered the revenue and revenue fluctuations at the Jenkinjones Post Office.

The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

### **Effect on Postal Employees**

Petitioners do not raise any issues with regard to the Postal Service's consideration of the impact on Postal Service employees. Nevertheless, the Postal Service considered the impact of the closing on the non-career employee. As documented in the record, the impact on postal employees is minimal. The Postmaster retired on June 30, 2009.<sup>47</sup> A non-career employee was installed as the temporary OIC. The non-career employee serving as the OIC may be separated from the Postal Service, although attempts will be made to reassign

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<sup>46</sup> FD at 6; Item 18, Form 4920; Item 33, Proposal at 5.

<sup>47</sup> <sup>47</sup> As discussed the following section, the administrative record mistakenly indicates that the Postmaster was promoted on June 20, 2008 resulting in the vacancy. Upon further investigation by the Postal Service, the vacancy was created when the Postmaster retired on June, 2009.

the employee to an authorized position at a nearby facility.<sup>48</sup> The record shows that no other employee would be affected by this closing.<sup>49</sup>

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employee at the Jenkinjones Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

### **Factual Matters in the Administrative Record**

Petitioners allege that the administrative record prepared by the Postal Service contained a factual inaccuracy with respect to the cause of the Postmaster vacancy at the Jenkinjones Post Office, specifically that the Postmaster retired and was not promoted as indicated in the Proposal and the Final Determination.

The Postal Service has investigated this matter and determined that the Postmaster at the Jenkinjones Post Office retired on June 30, 2009. While the administrative record mistakenly indicates that the Postmaster was promoted on June 30, 2008, this technical error in when and how the Postmaster position became vacant does not have a material impact on the legal factors at issue in this appeal. A number of other factors were considered in the FD, including minimal workload; low revenue; the variety of delivery and retail options (including the convenience of rural delivery and retail service); no projected population, residential, commercial, or business growth in the area; minimal impact upon the community; and the expected financial savings contributed to the Postal Service's FD in this case. Accordingly, this factual error is immaterial.

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<sup>48</sup> FD at 2; Item 15, Post Office Fact Sheet at 1; Item 33, Proposal at 2.

<sup>49</sup> *Id.*

Petitioner Bridgeman also alleges a lack of input from the community and a failure by the Postal Service to adequately discuss options for the community. As demonstrated above, the Postal Service solicited and received public comments through questionnaires, a community meeting and responses to the proposal.<sup>50</sup> The Postal Service responded to the public comments via letter and in person at the community meeting.<sup>51</sup> The Postal Service is dedicated to working closely with communities to discuss various options as a result of a post office closing, and the Postal Service met its responsibilities with the Jenkinjones Post Office customers.

### **Conclusion**

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Jenkinjones Post Office on the provision of postal services and on the Jenkinjones community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accordance with the policies stated in 39 U.S.C. § 404(d)(2)(A).

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<sup>50</sup> Item 22, Returned Questionnaires and Postal Service Response Letters; Item 25, Community Meeting Analysis; Item 38, Proposal Comments.

<sup>51</sup> FD at 2-6; Item 22, Returned Questionnaires and Postal Service Response Letters; Item 33, Proposal at 2-5.

Accordingly, the Postal Service respectfully requests that the determination to close the Jenkinjones Post Office be affirmed.

Respectfully submitted,

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